



DCP Midstream
2331 CityWest Blvd
Houston, TX 77042

832-765-6912

June 26, 2023

Brad Jones
Oil Conservation Division - Environmental Bureau
1220 South St. Francis Drive
Santa Fe, New Mexico 87505

**RE: 120-Day Temporary Permission To Discharge (HBP)
DCP Operating Company, LP**

Brad,

In accordance with New Mexico Water Quality Control Commission Regulations, DCP Operating Company, LP (DCP) requests that the New Mexico Oil Conservation Division (OCD) approve temporary permission for the discharge of hydrostatic test water from new pipelines within DCP's New Mexico operations. The majority of DCP was recently purchased by Phillips 66 and the two companies are still in the process of going through business transformation. DCP would like to continue to utilize the Temporary Permission to Discharge Hydrostatic Water Permit No. HBP-40, which expired on May 25, 2023. Enclosed with this application package is a check for the \$150 permit application filing fee and temporary permission fee as required by NMAC 20.6.2.3114.

Under this temporary authority, DCP will perform hydrostatic testing of new pipelines with a volume per test that will not exceed 25,000 gallons. In accordance with the OCD's *Guidelines for Hydrostatic Test Dewatering (Revised April 21, 2021)*, DCP will meet the following conditions for the hydrostatic test water discharged under this permit:

- a) the volume of the discharge is less than 25,000 gallons per hydrostatic test;
- b) water from a public/municipal water supply or other OCD approved sources, by written request and analytical results, is used for each hydrostatic test;
- c) email or written notification must be provided to the OCD 72 hours prior to each hydrostatic discharge event. Each notice shall contain the following information:
 - i. the proposed location of hydrostatic test discharge (Section/Township/Range or GPS coordinates);
 - ii. the date of the proposed discharge;
 - iii. the volume of the proposed discharge; and
 - iv. the source of hydrostatic test water;
- d) the discharge will not enter any lake, perennial stream, river, or their respective tributaries that may be seasonal;
- e) no discharge shall occur:
 - i. where ground water is less than 10 feet below ground surface.
 - ii. within 200 feet of a watercourse (defined in 19.15.2.7.W(4) NMAC), lakebed, sinkhole, or playa lake (defined in 19.15.2.7.P(4) NMAC);
 - iii. within an existing wellhead protection area (defined in 19.15.2.7.W(8) NMAC);
 - iv. within 500 feet of a wetland (defined in 19.15.2.7.W(9) NMAC); or
 - v. within 500 feet from the nearest permanent residence, school, hospital, institution, or church;

MADE TO LIGHT TO VIEW TRUE WATERMARK IN PAPER HEAT SENSITIVE MICROCLOCK DISAPPEARS WHEN HEATED

817528


50-937/213

DATE 6/26/2023

DCP ASSETS HOLDING, LP
RIGHT OF WAY ACCOUNT
370 17TH ST., SUITE 2500
DENVER, CO 80202
PH. 303-605-2212

PAY TO THE ORDER OF Water Quality Management Fund \$ 150.00


one hundred and fifty and 10/100 DOLLARS

CHASE 
JPMorgan Chase Bank, N.A.
Syracuse, New York

FOR Temp Hydraulic water discharge

NOT TO EXCEED \$150,000.00

Travis J. Hansen



Details on back

Security Features

[Redacted area]

Jones, Brad, EMNRD

From: Jones, Brad, EMNRD
Sent: Wednesday, June 28, 2023 10:27 AM
To: Marhofer, David R
Subject: HBP-40 DCP Operating Company, LP's 120-day Temporary Permission approval
Attachments: 2023 0628 HBP-040 DCP Operating Company LP 120-temporary permission renewal approval signed.pdf

David,

Please see the attached. It is DCP Operating Company, LP's 120-day Temporary Permission renewal approval. Please keep a copy for your records. OCD will not be mailing a hardcopy. If you have any questions regarding this matter, please do not hesitate to contact me.

Sincerely,

Brad A. Jones

Brad A. Jones • Environmental Scientist Specialist - Advanced
Environmental Bureau
EMNRD - Oil Conservation Division
1220 S. Saint Francis Drive | Santa Fe, New Mexico 87505
(505) 469-7486 | brad.a.jones@emnrd.nm.gov
www.emnrd.nm.gov

State of New Mexico
Energy, Minerals and Natural Resources Department

Michelle Lujan Grisham
Governor

Sarah Cottrell Propst
Cabinet Secretary

Todd E. Leahy, JD, PhD
Deputy Secretary

Dylan Fuge
Director, Oil Conservation Division



BY ELECTRONIC MAIL ONLY

June 28, 2023

Mr. David Marhofer
DCP Operating Company, LP
2331 CityWest Blvd.
Houston, Texas 77042
david.r.marhofer@p66.com

**RE: Renewal of Temporary Permission to Discharge Hydrostatic Test Water
DCP Operating Company, LP (OGRID 36785)
Permit: HBP - 40**

Mr. Marhofer:

The New Mexico Oil Conservation Division (OCD) has completed its review of DCP Operating Company, LP's (DCP) renewal request, dated June 26, 2023, for a 120-day temporary permission to discharge small quantities of hydrostatic test wastewater generated from the testing of new transmission pipelines of oil and gas or products thereof throughout the State of New Mexico, which expired on May 25, 2023. OCD acknowledges receipt of the filing fee (\$100.00) and temporary permission fee (\$50.00) within a separately mailed submittal received by OCD on June 28, 2023.

Based on the information provided in the request, *temporary permission is hereby granted to DEP for the discharge of the hydrostatic test wastewater generated from all new pipeline hydrostatic tests* an operator may perform during the approved 120-day period with the following understandings and conditions:

1. the volume of the discharge does not exceed 25,000 gallons per hydrostatic test;
2. water from a public/municipal water supply or other OCD approved sources (upon a written request to OCD) is used for each test;
3. email or written notification must be provided to the OCD 72 hours prior to each hydrostatic discharge event. The notice shall contain the following information:

DCP Operating Company, LP
HBP-40
June 28, 2023
Page 2 of 3

- a. the proposed location of hydrostatic test discharge (Section/Township/Range or GPS coordinates);
 - b. the date of the proposed discharge;
 - c. the volume of the proposed discharge; and
 - d. the source of hydrostatic test water;
4. the discharge does not enter any lake, perennial stream, river, or their respective tributaries that may be seasonal;
5. no discharge shall occur:
 - a. where ground water is less than 10 feet below ground surface.
 - b. within 200 feet of a watercourse (19.15.2.7.W(4) NMAC), lakebed, sinkhole, or playa lake (19.15.2.7.P(4) NMAC);
 - c. within an existing wellhead protection area (19.15.2.7.W(8) NMAC);
 - d. within 500 feet of a wetland (19.15.2.7.W(9) NMAC); or
 - e. within 500 feet from the nearest permanent residence, school, hospital, institution, or church;
6. no discharge shall occur to a surface water body without obtaining a National Pollution Discharge Elimination Systems (NPDES) permit from the US EPA, NMED, and OCD prior to the discharge;
7. best management practices must be implemented to contain the discharge onsite, to ensure that the discharge does not impact adjacent property, and to control erosion;
8. the discharge does not cause any fresh water supplies to be degraded or to exceed standards as set forth in Subsections A, B, and C of the 20.6.2.3103 NMAC (the Water Quality Regulations);
9. DCP shall report all unauthorized discharges, spills, leaks, and releases of hydrostatic test wastewater and conduct corrective action pursuant to the Water Quality Regulations of 20.6.2.1203 NMAC and release notification pursuant to OCD Rule 29 (19.15.29 NMAC);
10. the landowner(s) of each proposed discharge and/or collection/retention or alternative discharge location must be properly notified of the activities prior to each proposed hydrostatic test event; and
11. an annual report, summarizing each test of new pipeline with less than 25,000 gallons per hydrostatic test per discharge event, will be submitted to OCD within 45 days after the temporary permission expiration date and shall contain the following information:
 - a. the location of hydrostatic test discharge (Section/Township/Range or GPS coordinates);
 - b. the date of each discharge;
 - c. the volume of each discharge; and
 - d. the source and quality of test water (laboratory analysis, if necessary).

DCP Operating Company, LP
HBP-40
June 28, 2023
Page 3 of 3

This temporary permissions shall expire 120 days after June 28, 2023. **This temporary permission will expire October 26, 2023.** Renewal requests for annual temporary permission to discharge shall be submitted forty-five (45) days prior to the expiration date. An annual temporary permission may be revoked or suspended for violation of any applicable provisions and/or conditions of this approval.

Please be advised that approval of this request does not relieve DCP of liability should operations result in pollution of surface water, ground water or the environment. Nor does approval relieve DCP of its responsibility to comply with any other applicable governmental authority's rules and regulations.

If there are any questions, please do not hesitate to contact me at (505) 469-7486 or brad.a.jones@state.nm.us.

Respectfully,

A handwritten signature in blue ink, appearing to read 'Brad A. Jones', with a stylized flourish at the end.

Brad A. Jones
Environmental Specialist

District I
1625 N. French Dr., Hobbs, NM 88240
Phone:(575) 393-6161 Fax:(575) 393-0720
District II
811 S. First St., Artesia, NM 88210
Phone:(575) 748-1283 Fax:(575) 748-9720
District III
1000 Rio Brazos Rd., Aztec, NM 87410
Phone:(505) 334-6178 Fax:(505) 334-6170
District IV
1220 S. St Francis Dr., Santa Fe, NM 87505
Phone:(505) 476-3470 Fax:(505) 476-3462

State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

CONDITIONS

Action 232961

CONDITIONS

Operator: DCP OPERATING COMPANY, LP 6900 E. Layton Ave Denver, CO 80237	OGRID: 36785
	Action Number: 232961
	Action Type: [UF-HP] HBP Permission (HBP)

CONDITIONS

Created By	Condition	Condition Date
bjones	OCD emailed the renewal approval of HBP-40 to David Marhofer (DCP/Phillips66) on June 28, 2023. The approval email is attached to this request. If you have any questions regarding this matter, please do not hesitate to contact me.	6/28/2023